

Senate Amendment 3361

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1 1 Amend Senate File 458 as follows:
1 2 #1. Page 6, by inserting after line 11 the
1 3 following:
1 4 UNEMPLOYMENT TRUST FUND. There is
1 5 appropriated from moneys transferred to the state on
1 6 March 13, 2002, pursuant to section 903(d) of the
1 7 federal Social Security Act, as amended, to the
1 8 department of workforce development, the following
1 9 amount, to be deposited, under the direction of the
1 10 department of workforce development, in the
1 11 unemployment compensation fund for the payment of
1 12 unemployment benefits and for the establishment of the
1 13 unemployment compensation reserve fund:
1 14 \$ 40,000,000
1 15 Sec. UNEMPLOYMENT TAX AND CLAIM SYSTEM.
1 16 There is appropriated from moneys transferred to the
1 17 state on March 13, 2002, pursuant to section 903(d) of
1 18 the federal Social Security Act, as amended, to the
1 19 department of workforce development, the following
1 20 amount for purposes of automation and technology for
1 21 the unemployment tax and claim system:
1 22 \$ 20,000,000
1 23 Sec. ENHANCED SERVICES TO CLAIMANTS. There
1 24 is appropriated from moneys transferred to the state
1 25 on March 13, 2002, pursuant to section 903(d) of the
1 26 federal Social Security Act, as amended, to the
1 27 department of workforce development the following
1 28 amount for purposes of infrastructure improvements and
1 29 the administrative and technology costs associated
1 30 with enhanced services to unemployment benefit
1 31 claimants for workforce and labor exchange services:
1 32 \$ 20,700,000>
1 33 #2. Page 7, by inserting after line 2 the
1 34 following:
1 35 Section 96.9, Code 2003, is amended by
1 36 adding the following new subsection:
1 37 NEW SUBSECTION. 8. UNEMPLOYMENT COMPENSATION
1 38 RESERVE FUND.
1 39 a. A special fund to be known as the unemployment
1 40 compensation reserve fund is created in the state
1 41 treasury. The reserve fund is separate and distinct
1 42 from the unemployment compensation fund. All moneys
1 43 collected as reserve contributions, as defined in
1 44 paragraph "b", shall be deposited in the reserve fund.
1 45 The moneys in the reserve fund may be used for the
1 46 payment of unemployment benefits and shall remain
1 47 available for expenditure in accordance with the
1 48 provisions of this subsection. The treasurer of state
1 49 shall be the custodian of the reserve fund and shall
1 50 disburse the moneys in the reserve fund in accordance
2 1 with this subsection and the directions of the
2 2 director of the department of workforce development.
2 3 b. If the balance in the reserve fund on July 1 of
2 4 the preceding calendar year for calendar year 2004 and
2 5 each year thereafter is less than one hundred fifty
2 6 million dollars, a percentage of contributions, as
2 7 determined by the director, shall be deemed to be
2 8 reserve contributions for the following calendar year.
2 9 If the percentage of contributions, termed the reserve
2 10 contribution tax rate, is not zero percent as
2 11 determined pursuant to this subsection, the combined
2 12 tax rate of contributions to the unemployment
2 13 compensation fund and to the unemployment compensation
2 14 reserve fund shall be divided so that a minimum of
2 15 fifty percent of the combined tax rate equals the
2 16 unemployment contribution tax rate and a maximum of
2 17 fifty percent of the combined tax rate equals the
2 18 reserve contribution tax rate except for employers who
2 19 are assigned a combined tax rate of five and four=
2 20 tenths. For those employers, the reserve contribution
2 21 tax rate shall equal zero and their combined tax rate
2 22 shall equal their unemployment contribution rate.
2 23 When the reserve contribution tax rate is determined
2 24 to be zero percent, the unemployment contribution rate

2 25 for all employers shall equal one hundred percent of
2 26 the combined tax rate. The reserve contributions
2 27 collected in any calendar year shall not exceed fifty
2 28 million dollars. The provisions for collection of
2 29 contributions under section 96.14 are applicable to
2 30 the collection of reserve contributions. Reserve
2 31 contributions shall not be deducted in whole or in
2 32 part by any employer from the wages of individuals in
2 33 its employ. All moneys collected as reserve
2 34 contributions shall not become part of the
2 35 unemployment compensation fund but shall be deposited
2 36 in the reserve fund created in this subsection.
2 37 c. Moneys in the reserve fund shall only be used
2 38 to pay unemployment benefits to the extent moneys in
2 39 the unemployment compensation fund are insufficient to
2 40 pay benefits during a calendar quarter.
2 41 d. The interest earned on the moneys in the
2 42 reserve fund shall be deposited in and credited to the
2 43 reserve fund.
2 44 e. Moneys from interest earned on the unemployment
2 45 compensation reserve fund shall be used by the
2 46 department only upon appropriation by the general
2 47 assembly and only for purposes contained in section
2 48 96.7, subsection 12, for department of workforce
2 49 development rural satellite offices, and for
2 50 administrative costs to collect the reserve
3 1 contributions.>
3 2 #3. Page 9, by inserting after line 23 the
3 3 following:
3 4 <____. The amendment to section 96.9.>
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3 7
3 8 _____
3 8 NEAL SCHUERER
3 9 SF 458.214 80
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